

**SHEILA JACKSON LEE**  
18<sup>TH</sup> DISTRICT, TEXAS

WASHINGTON OFFICE:  
2252 Rayburn Office Building  
Washington, DC 20515  
(202) 225-3816

DISTRICT OFFICE:  
1919 Smith Street, Suite 1180  
Houston, TX 77002  
(713) 655-0050

ACRES HOME OFFICE:  
6719 West Montgometry, Suite 204  
Houston, TX 77091  
(713) 691-4882

HEIGHTS OFFICE:  
420 West 19th Street  
Houston, TX 77008  
(713) 861-4070

FIFTH WARD OFFICE:  
4300 Lyons Ave., Suite 200  
Houston, TX 77020  
(713) 227-7740

**Congress of the United States**  
**House of Representatives**  
**Washington, DC 20515**

COMMITTEES:  
**JUDICIARY**  
SUBCOMMITTEES:  
Ranking Member  
Crime, Terrorism, Homeland Security and  
Investigations  
Immigration and Border Security

**HOMELAND SECURITY**  
SUBCOMMITTEES:  
Cybersecurity, Infrastructure Protection, and  
Security Technologies  
Border and Maritime Security

SENIOR WHIP  
**DEMOCRATIC CAUCUS**



**CONGRESSWOMAN SHEILA JACKSON LEE**

**COMMITTEE ON THE JUDICIARY MARKUP**

**COMMITTEE MARKUP STATEMENT**  
**2141 RAYBURN HOUSE OFFICE BUILDING**  
**APRIL 30, 2019**  
**2:00PM**

- When voters sent a new majority to Congress, they did so because they were presented a better deal, for the people.
- A central tenet of that policy platform was lowering healthcare costs and the cost of prescription drugs.
- Now, we are poised to tackle the component units of the healthcare apparatus in the United States, turning next to prescription drugs.
- This is something that is very important to my service to the Eighteenth District of Texas, where last week we held a

community event to discuss the rise of prescription drug costs, notably insulin.

- According to the Campaign for Sustainable Rx Pricing, prescription drug expenditures are nearly 20 percent of healthcare costs, and spending on prescription drugs is growing faster than any other part of a dollar spent on Healthcare.
- Due to their prevalence, certain ailments draw a greater share of the healthcare dollar.
- One such ailment is diabetes, which requires insulin for treatment, and which was the subject of roundtable discussion with constituents in my district.
- To elucidate this point, consider the following statistics:
  - There are 15,000 Medicare beneficiaries in the Eighteenth Congressional District.
  - These individuals, on average, pay 4.8 times the cost of similar medication in Australia, 3.6 times the cost in the United Kingdom, and 2.6 times the cost in Canada.
  - Additionally, in the Eighteenth Congressional District of Texas, there are 191,0000 uninsured residents in this district and, because they lack insurance, they often pay significantly more than their insured counterpart, or any patient overseas.
  - For example, an uninsured resident of this congressional district pays 23 more times for this brand of insulin than their

counterparts in Australia, 15 more times than they would in the United Kingdom, and 13 more times than they would in Canada.

- The consequences of these staggering costs are not benign.
- Many patients often speak of having to make heart-wrenching decisions about what to buy with the commonly-fixed incomes attendant to seniors.
- Many medical professionals indicate that the high prices for prescription drugs are a function of a lack of competition, and authorizing Medicare to create a program to negotiate drug prices may be an estimable way to lower the cost of prescription drugs.
- All told this reflects a disturbing trend: in our country, the cost of branded drugs tends to go up, whereas in other countries, the costs tend to go down.
- This must stop.
- All told, the demand for the drugs, their cost and their likelihood to increase in price places a significant economic burden on both taxpayers and patients, including beneficiaries of Medicare, and the uninsured.
- Given this, there is an appreciable to investigate the matter, which is why today's hearing is so important.
- The act of lowering drug prices will not just lower healthcare costs, but increase financial independence writ large, and permit consumers the flexibility attendant with lower out-of-pocket costs, and greater financial and health security.

- Because of these likelihoods, I am proud to support the four bills at the heart of today's hearing.
- The first bill is the **Preserve Access to Affordable Generics and Biosimilars Act**, which would establish that certain pay for delay agreements are presumptively anticompetitive and authorize the FTC to initiate an enforcement proceeding against parties to such an agreement involving the sale of a drug or biological product.
- Pay for delay agreements take the form of a patent litigation settlement in which the branded firm pays its potential generic competitor to abandon a patent challenge and delay entering the market with a lower cost generic product.
- This bill, if enacted, would deter pay for delay agreements, save the FTC resources in challenging clear violations, and free up limited resources to attack other anticompetitive conduct.
- The second bill is HR 965, the **Creating and Restoring Equal Access to Equivalent Samples Act** which would establish a private right of action for generic drug companies to obtain drug samples to conduct bioequivalence testing for FDA approval necessary to enter the market.
- It would also authorize a court to award damages to deter misconduct by branded drug companies.
- I am pleased to note that the bill has already been introduced in the Senate with bipartisan cosponsors.

- This bill, when enacted, will enable generic manufacturers greater ability to procure samples, with the end of lowering prices.
- A third bill also merits mention, and I commend its introduction and its consideration here at the house Judiciary Committee.
- **The Stop Significant and Time Wasting Abuse Limiting Legitimate Innovation of New Generics Act, or the Stop STALLING Act** establishes that the submission of a citizen petition to prevent or delay the approval of a covered drug product is anticompetitive for purposes of Section 5 of the Federal Trade Commission Act.
- This act is important, and involves the FDA's citizen petition procedures, which were established to provide concerned citizens with an opportunity to solicit changes to agency regulations regarding health and safety policy.
- Unfortunately, some, including large drug companies, manipulate the process to stifle generic competition.
- This bill addresses that reality.
- Finally, the **Prescription Pricing for the People Act** would require the Federal Trade Commission to conduct a study on the state of competition in the pharmacy benefit manager market place.
- Pharmacy benefit managers are responsible for administering prescription drug benefits through negotiations and contracts with drug manufacturers, health insurers, health care providers, and pharmacies.

- This bill would consider the effect of competition on this segment of the pharmaceutical delivery apparatus.
- This bill would consider the role of small pharmacies, and other disparities in resources and reach.
- After 100 days of leadership of the House of Representatives, House Democrats have already delivered on their promise to safeguard ready access to affordable, quality healthcare.
- On the first day of this Congress, the House of Representatives voted to intervene in a lawsuit to ensure the protections of the Affordable Care Act were not eroded.
- When the current president and administration decided it would abandon its constitutional defense of the law in Texas, House Democrats passed a resolution objecting to the idea.
- Today, we continue our advocacy for the people by taking the first steps in delivering on commonsense, bipartisan reform of the prescription drug market.
- As such, I am proud to support each of these bills, and I yield back the balance of my time.